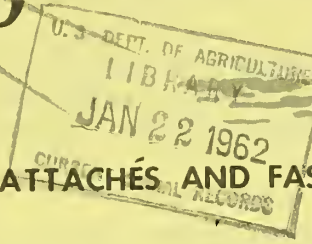


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Spotlight

ON FOREIGN MARKETING



TO U.S. AGRICULTURAL ATTACHÉS AND FAS STAFF MEMBERS

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Vol. VI, No. 1

January 2, 1962

FORECAST FOR AGRICULTURAL EXPORTS IN 1962. All signs indicate that agricultural exports, estimated at a record \$5 billion for calendar 1961, will continue at around that same level in 1962. Considerable increases in soybeans and vegetable oils along with small gains in fruits, vegetables, and meat products should more than offset substantial reductions in cotton and wheat and moderate losses in rye, rice, and flaxseed. Little or no changes are in prospect now for feed grains, tobacco, animal fats and oils, hides and skins, and dairy products.

Exports of soybeans in 1962 may advance to 170 million bushels, a new record, compared with 130 million in 1961 and 148 million in 1960, reflecting a continued strong foreign demand for protein meal and oil, heavy market promotion, the continued lower level of bean shipments from Communist China, and the record crop in the United States.

Exports of cottonseed and soybean oils are likely to grow to 1.9 billion pounds in 1962 from 1.1 billion in 1961 and 1.5 billion in 1960, because of especially heavy demand overseas associated with the smaller olive oil output in Spain and Italy, increased Title I programming to countries such as Pakistan and Turkey, and larger donations to private welfare agencies for overseas distribution.

Less U. S. cotton is likely to be needed abroad in 1962 due to downward adjustment of foreign inventories of raw cotton, some decline in foreign consumption, and larger supplies available abroad for export. Exports of wheat may not be as large in 1962 as in 1961 as it cannot be presumed that adversities such as drought and flood will recur in 1962.

WHEAT GROWERS PROMOTING TOAST IN EUROPE. U. S. hard wheat growers are campaigning to introduce American style toast into European menus. The program can pay export dividends, since a satisfactory toast bread must contain a substantial percentage of hard wheat.

Europeans eat very little toast as Americans know it. The continental breakfast of rolls and coffee or tea is traditional, and a thin melba toast is eaten occasionally with special dishes.

At the recent U. S. Food Fair in Hamburg, Germany, Great Plains Wheat worked with the local bakery industry in a special promotion designed to convince Germans that those who don't eat toast regularly are missing something. Some 70,000 free slices of buttered toast (freshly made in pop-up toasters) were handed out as samples.

Each visitor was also given a specially wrapped package containing four slices of bread for toasting at home. This was white bread that is available in Germany today, even under present blending regulations. With each package went a consumer reaction questionnaire, with a trip for two to the United States wheat area as prize for the best reply and 99 automatic toasters as additional prizes.

With European per capita wheat consumption on the decline, U. S. growers see this as a long-term promotion to be carried out not only in Germany but throughout Europe.

FIRST AGRICULTURAL EXHIBIT HELD IN GHANA. The first agricultural trade fair exhibit in Africa south of the Sahara drew huge crowds in Accra, Ghana, from the end of November until just before Christmas. Commodities shown were instant nonfat milk, poultry, soybean products, wheat and rice. It was the final event in the FAS small exhibits program for 1961 and was held in conjunction with a Department of Commerce exhibit.

President Nkrumah officially opened the fair before some 1,000 representatives of the diplomatic corps, industry, agriculture, trade and the Ghana government. The turnout of senior Ghanaian officials was the largest for an American function in at least 18 months.

The fair received unusually heavy coverage in the local press, and public response was tremendous. Official attendance for the first two days totalled 39,000 -- or more than 10 percent of the total population of Accra.

PRESIDENT KENNEDY'S ADDRESS TO N.A.M. A copy of the President's address to the National Association of Manufacturers is being sent to you under separate cover.

We urge you to read this speech as it contains important policy statements regarding export trade and the Reciprocal Trade Agreements Act.

PERUVIAN FIRST LADY EXPRESSES THANKS FOR SCHOOL LUNCH PROJECT. The following is a translation of a message received from the First Lady of Peru by Great Plains Wheat.

"I want to congratulate you for the magnificent exhibit of food products your firm presented during the recent Pacific International Trade Fair.

"I especially want to thank you for the opportunity you gave me of inviting poor children from the slums to enjoy the delicious lunches and dinners which you served, and the opportunity you gave them to visit the fair. Those moments will be remembered always by these children, whose happiness must be the reward of your generosity." Sincerely yours, s/ Clorinda M. de Prado.

FLORIDA CITRUS MUTUAL ENTHUSIASTIC ABOUT TRADE FAIRS. In a recent letter to the FAS Fruit and Vegetable Division, Martin E. Hearn, Director of the International Trade Division, Florida Citrus Mutual, had this to say: "We can say without hesitation that so far as we are concerned, participation with FAS in their exhibits abroad has exceeded our wildest hopes and we are firm supporters of continuing this form of promotional and market development activity." His letter states that the U. S. citrus exhibit at the Paris Trade Fair earlier this year was directly responsible for confirmed orders for 1961-62 shipments valued at \$600,000.

(More)

This statement is called to your attention as it will be valuable for future reference.

UTILIZATION OF WHEAT IN WESTERN EUROPE came under the careful scrutiny of a USDA food utilization specialist recently. Dr. Wayne Bitting, Staff Specialist, Product and Process Evaluation Staff, ARS has just returned from a study of wheat quality requirements in The Netherlands, United Kingdom, Belgium and West Germany. Dr. Bitting has for the past several years been conducting marketing studies of the production and utilization of wheat in the United States, relating such factors as end use quality requirements, evolution in processing methods (milling and baking), regional market requirement differences, transportation costs, domestic milling demand for specific wheat quality characteristics, etc.

In sponsoring Dr. Bitting's study in Western Europe, FAS and its wheat cooperator, Great Plains Wheat, Inc., prevailed upon ARS to allow Dr. Bitting to extend his U. S. market analysis studies to Western Europe in order to provide the Department with a direct comparison of U. S. and Western European markets. It also provided the Department with a critical evaluation of marketing problems faced by U. S. wheat in the EEC as seen through the eyes of a marketing economist.

General conclusion reached: (1) Western Europe's per capita consumption of wheat products is not likely to increase; (2) the need for "filler" type hard wheat, such as imported from the U. S., is decreasing and will decrease further; (3) the bulk of the future imports of hard wheat will consist largely of very high strength types suitable for blending with weak indigenous wheat grown in each country or imported from within the EEC (France); (4) the U. S. will share in this future trade in hard wheat to the extent supplies of high quality hard wheat, above domestic requirements, are produced and made available for export at a competitive price. (Editor's Note: Here's a real challenge to our market development efforts.)

U.S. FORAGE CROP SEEDS BEING TESTED ABROAD. In an effort to boost exports of U. S. seeds, over 3,000 pounds of forage crop seeds have been sent to South America for experimental trials during the past six months. These seeds have been supplied free by the Texas Certified Seed Producers, Inc. Arrangements for this extensive testing program grew out of discussions between leaders of the seed industry in Chile, Argentina, Uruguay and Venezuela and a seed team which visited those countries in February and March 1961, under a market promotion project.

The team found that a number of improved strains of forage plants which have been widely used in pasture improvement work in the United States have not been tested to any extent in the countries visited. It is believed that some of these may prove to be of great value in the livestock and pasture improvement programs. Seed of these superior varieties is now available in commercial quantities in Texas and other southwestern states.

COOPERATOR REPRESENTATIVES ABROAD. Attached is a revised list of foreign representatives of cooperators under P. L. 480 Section 104(a) Market Development Programs, according to our records.

If you know of any changes that should be made or additions or deletions kindly advise FAS/W.

in foreign countries may also be interested. For these or other overseas uses, loan prints are available. Address requests to FAS/W, indicating the period of time the print will be needed and the general types of showings planned.

TRADE FAIR AND TRADE CENTER ACTIVITIES FOR 1962. A tentative schedule of FAS market promotion exhibits for calendar year 1962 contemplates four major food fair shows: Manchester, England, May 8-19; London, August 28-September 12; Munich, September; and Brussels, October. The Mobile Feed Exhibit will be used in Germany during 1962 with shows tentatively scheduled for Erback, Kempton, Uelzen, Rendsburg, Warburg, and Werne. These shows will occur in the period July through October. Beginning in late summer and extending into the Fall a number of portable feed shows will be held in Peru emphasizing the livestock feeding story. (A major activity in London will be feed grain exhibit March 15-April 15.)

The Trade Center Program for 1962 provides for continuing activity in the agricultural offices of the London Trade Center. Plans for a September exhibit are still in the making. FAS also plans to cooperate with the U. S. Department of Commerce in the establishment of a Trade Center in Tokyo. The place and date of opening are still indefinite.

A number of interagency shows are scheduled including the Green Week Exhibition in Berlin, February 2-11, International Trade Fair at Osaka, Japan, April 5-25; Djakarta, Indonesia July 25-August 25, and Lagos, Nigeria, October 27-November 18, respectively. An exhibit at the World Poultry Congress in the Fall in Sydney, Australia, also is being planned.

MARKET DEVELOPMENT IN ITALY. There is being sent to you under separate cover a publication "Developing Markets for U. S. Agricultural Commodities in Italy -- An Economic Evaluation" by the Agricultural and Mechanical College of Texas.

The authors' comment in part -- "The abundance of food supplies in the United States has a long history, and U. S. agriculture for many years has been the primary supplier to nations in a deficit position....

"Market development operations in Italy indicate clearly that properly conducted promotional activities will result in increased sales of U. S. agricultural commodities in foreign countries....

"Continued efforts should be made by FAS and cooperators to obtain permanent removal of all restrictions against U. S. agricultural commodities....

"The development phase of the program should be separate and distinct from the promotional phase. Participation at fairs and exhibits, and conducting seminars are effective means of introducing and promoting wide knowledge of a new or relatively different commodity. However, in the case of a commodity already established in the market, effective development activities should be directed toward obtaining a large share of the market, expanding or increasing total consumption, or both."

You are invited to read the entire report.

GREAT PLAINS WHEAT INC. ENDORSES SEDIMENTATION TEST. There has been sent to you under separate cover a statement by Clifford R. Hope, President, Great Plains Wheat Inc., on the subject of the sedimentation test for wheat.

(More)

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NEW FILM PROMOTES U. S. POULTRY. "Adventure in Food -- The Chicken," is a new 16mm color film which is designed to whet the viewer's appetite for American poultry meat. Filmed at a large scale "broiler factory" on Maryland's Eastern Shore and in the Jersey City facilities of a large supermarket chain, the 13-1/2 minute picture traces the stages from hatching egg to the consumer's table. At present only sound tracks in English are available. The film can be obtained by attaches for showing abroad by writing to the Dairy and Poultry Division, FAS/W. National Broiler Council cooperated in the production.

FIVE YEAR FUNDING OF MARKET DEVELOPMENT PROJECTS. A policy statement on this has been sent to all attaches. Though we now have the "authority" for five-year funding, present and prospective funds are barely enough to finance eligible projects for three years. So, very little five-year funding is in prospect.

STATEMENT OF SECRETARY FREEMAN. Attaches are invited to read Secretary Freeman's statement of November 16, 1961 (Press Release 3787-61) which he made on his return from his trip to Europe, the Middle East and South-east Asia. If additional copies of this statement are desired they may be obtained from FAS/Washington.

EXPORT FINANCING. We are sending you under separate cover a "Summary of Eximbank's finance and export credit insurance programs." These programs may assist you in developing new dollar markets for U. S. agricultural products. If additional copies are desired they may be obtained from FAS/Washington.

Issued by FAS, USDA, Washington 25, D. C. Distributed only to U. S. Agricultural Attaches and in the Department for internal use. Send your contributions to the Editor, "SPOTLIGHT." Deadline for next issue is 10 days after publication date.

SPOTLIGHT Attachment
Vol. VI, No. 1

FOREIGN REGIONAL AND COUNTRY OFFICES OF TRADE ASSOCIATIONS
OR RELATED GROUPS COOPERATING WITH FAS UNDER
P. L. 480
SECTION 104(a) MARKET DEVELOPMENT PROGRAMS
AS OF DECEMBER 31, 1961

<u>Country</u>	<u>Person in Charge and Address</u>
Cotton: France	Mr. Raymond Steinbach, Jr., European Director, Cotton Council International 14 Boulevard, Montmartre Paris 9e, France
Germany	Mr. Dieter Frank, Regional Representative Cotton Council International Institut Der Deutschen Baumwollindustrie GmbH Schaumainkai 91, Frankfurt/Main
Holland	Mr. Hans Koedam, Economist Cotton Council International c/o Nederlands Katoen Instituut Pieter de Hoochweg 22 Rotterdam 6, Holland
Italy	Mr. Herbert L. Jacobson, Regional Representative, Cotton Council International c/o H. L. Jacobson Studios Viale G. Rossini 15 A Rome, Italy
Norway	Mr. Per Alme, Regional Representative Cotton Council International Rosenkratzgate 18 Oslo, Norway

Dairy & Poultry:

Germany

Mr. Edmund Driggs, European Regional
Director, West European Office
Institute of American Poultry Industries
Schillerstrasse 15
Frankfurt-an-Main, Germany

<u>Country</u>	<u>Person in Charge and Address</u>
<u>Dairy & Poultry (Cont'd):</u>	
Germany	Mr. Franz Schmidt, Country Director Institute of American Poultry Industries Schillerstrasse 15 Frankfurt-an-Main, Germany
Italy	Mr. H. W. Ziroti, Country Director Institute of American Poultry Industries Via Panisterna 203 Rome, Italy
Netherlands	Mr. Leonard van der Velden, Country Director, Institute of American Poultry Industries, Aert van Messtraat 3 Rotterdam, Netherlands
Thailand	Dorothy McCann, Country Director Dairy Society International c/o Foremost Dairies, Ltd. or c/o Agricultural Attache Bangkok, Thailand

<u>Fats & Oils:</u>	
Italy	Dr. Fred R. Marti, Director for Foreign Operations, Soybean Council of America, Inc., Via Parigi 11 Rome, Italy
Italy	Dominic Marcello, Director for Italy Soybean Council of America, Inc. Via Parigi 11 Rome, Italy
Spain	Javier de Salas, Director for Spain Soybean Council of America, Inc. Edificio Espana Grupo 3, Planta 7, Despacho 8-9 Madrid, Spain
Israel	Joseph Mazur, Director for Israel Soybean Council of America, Inc. Ministry of Commerce & Industry P. O. Box 299 Jerusalem, Israel

<u>Country</u>	<u>Person in Charge and Address</u>
<u>Fats & Oils (Cont'd):</u>	
India	Maharaj Kumar Virendra Singh, Acting Director for India Soybean Council of America, Inc. Pallonji Mansion (Office) 43, New Cuffe Parade Bombay 5, India
Netherlands	William Luykx, Director, Belgium Office Soybean Council of America, Inc. Torenggebouw-13 Beddenstraat Antwerpen, Belgium
Egypt	Andre Tawa, Director for Egypt Soybean Council of America, Inc. 8, Dr. Abdel Hamid Said St. Cairo, Egypt
Germany	Dr. Karl W. Fangauf, Director for Germany Soybean Council of America, Inc. Pelzer Strasse 13 (Office) Hamburg 11, Germany
Japan	Mr. Shizuka Hayashi, Managing Director Japanese American Soybean Institute Room 410 Nikkatsu International Bldg. No. 1, 1-chome Yurakucho Chiyoda-ku Tokyo, Japan
Pakistan	R. S. Patel, Country Director Soybean Council of America, Inc. Gumar House Bunder Road Karachi 8, Pakistan
Turkey	Vasfi Hakman, Country Representative Soybean Council of America, Inc. c/o Agricultural Attache in Turkey American Embassy Ankara, Turkey

<u>Country</u>	<u>Person in Charge and Address</u>
<u>Fats & Oils (Cont'd):</u>	
Iran	Bahman Sepahpur, Country Director Soybean Council of America, Inc. Taghnia Building Saadi Avenue Tehran, Iran
France	Juan G. De Madariaga, Country Director Soybean Council of America, Inc. 20 Rue Marbeuf Paris 8 ^e me, France
Peru	William O. Ivanissevich, Country Director Soybean Council of America, Inc. Avenida Arenales 500 Lima, Peru Of. 603
United Kingdom	Reginald Ion Wood, Country Director Soybean Council of America, Inc. Bess Borough Anteroom Grosvenor Buckingham Palace Road London SW-1, England
Denmark	Ejvind Sondergaard, Country Director Soybean Council of America, Inc. Osterbrogade 9-F Copenhagen Ø, Denmark

Fruit & Vegetable:

Belgium	Mr. Alfred LaRocque, European Representative, Florida Citrus Commission Dorland - Benton and Bowles 36 rue de Praetere Brussels, Belgium
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NOTE: Offices not paid for out of FAS funds.

Grain & Feed:

Peru	<u>GREAT PLAINS WHEAT, INC.</u> Mr. Harlan S. Parkinson, Director South American Regional Office Centro Comercial Todos Paseo de La Republica 3440 Lima, Peru
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<u>Country</u>	<u>Person in Charge and Address</u>
<u>Grain & Feed (Cont'd):</u> Netherlands	<u>GREAT PLAINS WHEAT, INC.</u> Mr. Theodore F. Fiedler, Director European Office E. N. Gebouw Coolsingel 6 Rotterdam, Netherlands
Colombia	Mr. James T. Geetersloe Regional Specialist Colombia/Ecuador c/o Agricultural Attache American Embassy Bogota, Colombia
Brazil	Mr. John Farris Regional Specialist Rua Xavier de Toledo 87 5 Andar-Conj 507 Sao Paulo, Brazil
Japan	<u>WHEAT ASSOCIATES, U.S.A., INC.</u> Mr. James L. Hutchinson Far East Marketing Director Room 303, Toranomom Sangyo Bldg. No. 1, Shiba-Kotohira-Cho, Minato-Ku Tokyo, Japan
Pakistan	Kazi M. Sakhawatullah Regional Director Zirat Chambers 31 Jinnah Avenue Rumma - Dacca 2, E. Pakistan
"	Mr. Ivan Packard, Pakistan Director G.P.O. Box No. 3719 Karachi, Pakistan
India	Dr. D. D. Hill, India Representative 134/48 Diplomatic Enclave New Delhi 1, India
Philippines	Eugene B. Vickers Philippine Representative Bal Air Apt. 301, 30 Dewey Blvd. Manila, Philippines

<u>Country</u>	<u>Person in Charge and Address</u>
<u>Grain & Feed (Cont'd):</u>	<u>U.S. FEED GRAINS COUNCIL</u>
Italy	Mr. Charles C. Gidney, Jr. European Representative 11 Via Parigi Rome, Italy
Netherlands	Mr. H. E. Sanford Regional Marketing Specialist E. N. Gebouw Coolsingel 6 Rotterdam, Netherlands

<u>Livestock & Meat Products:</u>	None as yet.

<u>Tobacco:</u>	
Belgium	Mr. James C. Frink Director of European Office Tobacco Associates, Inc. 66 Rue Royale Brussels 1, Belgium

NOTE: Office not paid for out of FAS funds.
